

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF OHIO**

In Re:	:	Case No. 2:15-bk-50658
	:	
	:	
Mark A. Reese	:	
	:	Chapter 7
Debtor.	:	
	:	Judge Charles M. Caldwell

State of Ohio, ex rel.	:	
Michael DeWine, Attorney General	:	
30 East Broad St.	:	
Columbus, Ohio 43215	:	
	:	Adv. Proc. No. _____
Plaintiff,	:	
	:	
Vs.	:	
	:	
Mark A. Reese	:	
2417 Long Bow Avenue	:	
Lancaster, OH 43130	:	
	:	
Defendant	:	

**COMPLAINT TO DETERMINE DISCHARGEABILITY OF CLAIM OF STATE
OF OHIO, ATTORNEY GENERAL MICHAEL DEWINE, AGAINST MARK A.
REESE**

The Ohio Attorney General, for its complaint against Mark A. Reese (“Defendant”), states and alleges the following:

BACKGROUND AND JURISDICTION

1. This is a core proceeding over which this Court has jurisdiction pursuant to 28 U.S.C. §§157(b)(2) and 1334.

2. Defendant is the debtor in the Chapter 7 case designated as Case No. 2:15-bk-50658 pending before this Court which case was commenced by the filing of a voluntary petition on Feb. 9, 2015.
3. The Ohio Attorney General is a creditor of Defendant.

COUNT I
11 U.S.C. §523(a)(2)(A)

4. On January 1, 2010, Defendant became the CEO and principal of a now-defunct pole-barn construction company named MidOhio Buildings, Inc., DBA Mustang Buildings.
5. During his tenure as CEO and principal, the Defendant committed unfair and deceptive acts and practices in violation of the Ohio Consumer Sales Practices act. These acts include misrepresentations to consumers and the misappropriation of consumer funds.
6. For example, the Defendant misrepresented the speed at which he could and would construct consumer buildings in order to secure contracts and obtain significant deposits from consumers in advance of delivering services.
7. As another example, the Defendant misappropriated consumer funds specifically designated for constructing of the consumer's buildings, leaving the company with insufficient funds to complete construction, insufficient funds to honor warranties, and insufficient funds to issue refunds.
8. Reese's misappropriation and misrepresentations constitute fraud.

9. As a result of the Defendant's actions, the Ohio Attorney General's Office filed suit against the Defendant and his company in Ross County, Ohio, Case No. 13 CI 152.
10. On Wednesday, May 5, 2013, the Honorable Judge Nusbaum of the Ross County Court of Common Pleas found Mark A. Reese personally liable for committing unfair and deceptive acts and practices under the Consumer Sales Practices Act. Judge Nusbaum ordered restitution in the amount of \$65,459.68. A transcript of Judge Nusbaum's ruling from the bench is attached as Exhibit 1. The written judgment entry is not yet available.
11. Defendant's restitution obligation to the Ohio Attorney General's Office arising out of Ross County Court of Common Pleas Case No. 13 CI 152 is non-dischargeable pursuant to 11 U.S.C. §523(a)(2)(A) as money obtained by false pretenses, a false representation, and actual fraud.

COUNT II
11 U.S.C. §523(a)(7)

12. The Ohio Attorney General's Office restates and incorporates by reference, as if fully rewritten herein, the averments in paragraphs 1 through 11 above.
13. In addition to restitution, Judge Nusbaum imposed a civil penalty in the amount of \$20,000 ("\$5,000 for each of these people that I think were defrauded."). A transcript of Judge Nusbaum's ruling from the bench is attached as Exhibit 1. The written judgment entry is not yet available.

14. Defendant's civil penalty obligation to the Ohio Attorney General's Office arising out of Ross County Court of Common Pleas Case No. 13 CI 152 is non-dischargeable pursuant to 11 U.S.C. §523(a)(7) as a "fine payable to and for the benefit of a governmental unit, and is not for compensation for actual pecuniary loss."

Therefore, the Ohio Attorney General's Office requests the following relief:

- (a) An order declaring Defendant's restitution obligation to the Ohio Attorney General's Office arising out of Ross County Court of Common Pleas Case No. 13 CI 152 non-dischargeable pursuant to 11 U.S.C. §523(a)(2)(A) as money obtained by false pretenses, a false representation, and actual fraud;
- (b) An order declaring Defendant's civil penalty obligation to the Ohio Attorney General's Office arising out of Ross County Court of Common Pleas Case No. 13 CI 152 non-dischargeable pursuant to 11 U.S.C. §523(a)(7) as a "fine payable to and for the benefit of a governmental unit, and is not for compensation for actual pecuniary loss";
- (c) Such other and further relief as this Court deems just and proper.

MICHAEL DEWINE
Attorney General of Ohio

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CERTIFICATE OF SERVICE

I certify that on May 18, 2015, a true and correct copy of the State of Ohio's Complaint to Determine Dischargeability of Claim of State of Ohio, Attorney General Michael DeWine, Against Mark A Reese was served:

Via the Court's Electronic Case Filing System on these entities and individuals who are listed on the Court's Electronic Mail Notice List:

None.

And by regular U.S. mail, postage prepaid, on:

U.S. Trustee
Asst US Trustee (Col)
Office of the US Trustee
170 North High Street
Suite 200
Columbus, OH 43215-2417

Trustee
David M. Wittaker
100 South Third Street
Columbus, OH 43215-4214

Attorney for Debtor
James E Nobile

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Debtor

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